

801-1 (F)

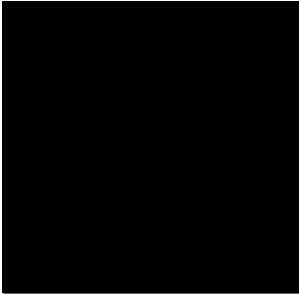
Verne, B. Michael

From: [REDACTED]
Sent: Thursday, January 05, 2012 5:03 PM
To: Verne, B. Michael
Subject: Nonvoting Securities Question

Mike -

Happy new year, I hope you are well. I have a quick question. I understand the PNO's position is that convertible nonvoting securities coupled with a contractual right to appoint 50% or more of a target company's board of directors may be treated as voting securities in determining whether a filing is required for the sale of the Target. My client has the contractual right to appoint five of seven board members of the Target company and owns nonvoting preferred stock of the Target which is not convertible into voting shares (the shares are guaranteed an annual dividend and are more like debt than equity). We believe that the preferred nonvoting, non-convertible shares should not be treated as voting securities even if the holder of those nonvoting shares has the right to appoint a majority of the board. Do you agree?

Thanks much,



AGREE
BM
1/6/12

U.S. Treasury Circular 230 Notice

Any U.S. federal tax advice included in this communication (including any attachments) was not intended or written to be used, and cannot be used, for the purpose of (i) avoiding U.S. federal tax-related penalties or (ii) promoting, marketing or recommending to another party any tax-related matter addressed herein.

This communication may contain information that is legally privileged, confidential or exempt from disclosure. If you are not the intended recipient, please note that any dissemination, distribution, or copying of this communication is strictly prohibited. Anyone who receives this message in error should notify the sender immediately by telephone or by return e-mail and delete it from his or her computer.

For more information about [REDACTED] click here :
[REDACTED]